

SISKIYOU COUNTY ECONOMIC FORECAST

The Siskiyou County economy is growing at a healthy rate. In 2017 it generated 280 new jobs, representing a growth rate of 2.0 percent. The best performing industries were manufacturing, leisure services, and healthcare.

The Siskiyou County economy is highly concentrated in a few primary industries. One of its largest sectors is government, which employs 4,300 workers and accounts for a third of the entire job market. Approximately half of these individuals work in public schools, while most of the rest work in local municipal agencies. A small number work in federal and state offices located within Siskiyou County.

The Siskiyou County economy is also heavily reliant on the healthcare sector. Healthcare agencies employ approximately 2,000 workers, many of which are located near the cities of Yreka, Mount Shasta, and Weed.

The other major sectors are retail trade and leisure services. Combined, these industries employed 3,400 people in 2017.

The unemployment rate improved substantially last year, falling from 8.5 percent in 2016 to 7.3 percent in 2017. The unemployment rate is near its lowest sustainable level, meaning that almost everyone who wants a job already has a job. Under such conditions, job creation is expected to decelerate, and improvements in the unemployment rate will become slower and more incremental.

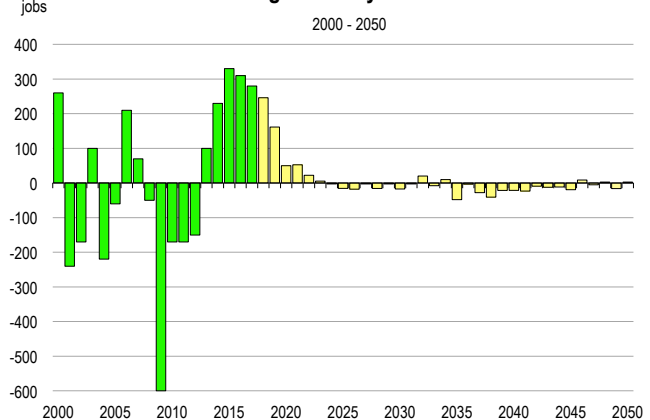
From 2012 to 2017, the Siskiyou County population declined by 0.2 percent per year. Net migration was flat, with equal numbers of people moving into the county as moving out, but deaths outnumbered births by 120 per year. Siskiyou County has an old resident base, with more people in retirement age than in the typical childbearing years. Because of this dynamic, the population will continue to decline, placing the economy at risk of stagnation.

Stagnant economies are often characterized by subpar job creation, slow income growth, and insufficient public revenues, preventing living conditions from improving and making it difficult for local governments to provide adequate public services.

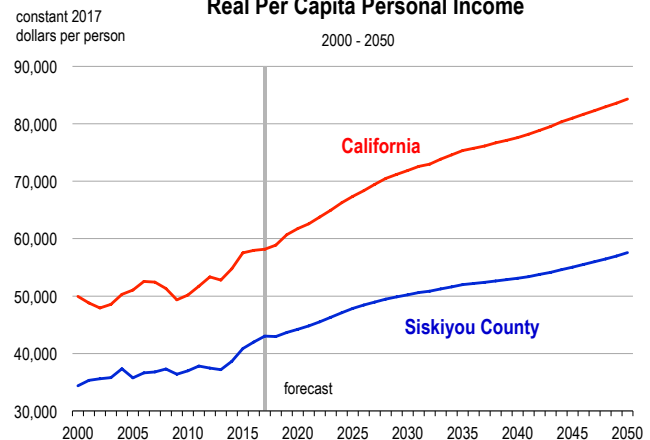
FORECAST HIGHLIGHTS

- Job growth of 1.7 percent is expected in 2018. Between 2018 and 2023, the annual growth rate will average 0.4 percent.
- Between 2018 and 2023, job creation will be concentrated in education and healthcare, leisure services, professional business services, and government. Combined, these sectors will account for 69 percent of net job creation in the county.

Total Wage & Salary Job Creation



Real Per Capita Personal Income

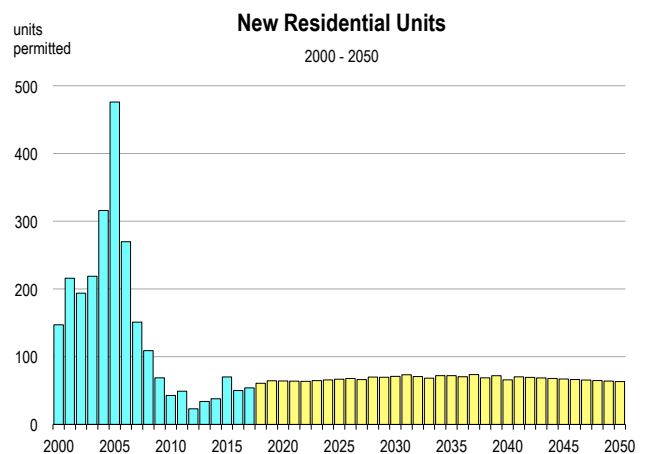
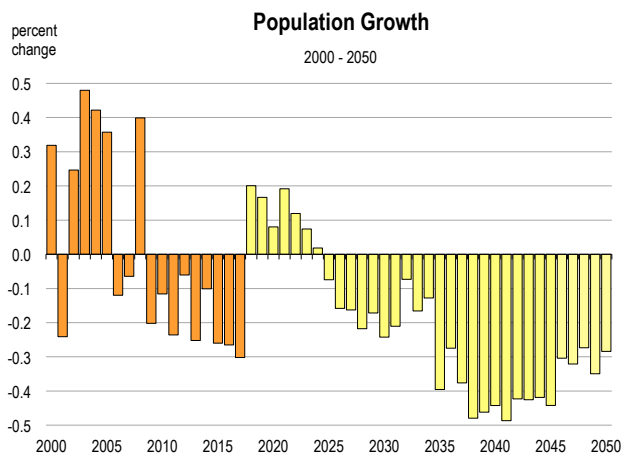


- Average salaries are below the California average, and will remain so over the foreseeable future. In Siskiyou County, inflation-adjusted salaries are expected to rise by 1.1 percent per year from 2018 to 2023, which will be slower than statewide growth.
- An average of 60 new homes will be built each year between 2018 and 2023. Virtually all of these will be single-family homes, and very few will be apartments.
- Population growth is expected to average 0.1 percent per year from 2018 to 2023. An average of 167 net migrants will enter the county each year, but deaths will outnumber births by 110 each year. Beyond 2023, the population is likely to decline again, as net migration turns negative and deaths outnumber births by a larger amount.

Siskiyou County Economic Forecast

2010-2017 History, 2018-2050 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	44,898	52	66.1	19.5	43	\$0.43	\$1.43	\$36,970	1.3	226.7	275.9	16.8
2011	44,792	-36	64.4	19.5	49	\$0.51	\$1.50	\$37,825	2.7	315.6	283.4	17.0
2012	44,765	0	62.9	19.5	23	\$0.52	\$1.52	\$37,452	2.7	393.4	296.3	15.6
2013	44,652	0	64.1	19.4	34	\$0.54	\$1.53	\$37,177	2.3	346.9	326.5	13.2
2014	44,607	0	64.2	19.4	38	\$0.57	\$1.61	\$38,646	2.8	348.9	316.5	11.1
2015	44,491	0	65.4	19.3	70	\$0.59	\$1.73	\$40,864	2.6	308.9	273.4	9.3
2016	44,373	0	67.1	19.3	50	\$0.58	\$1.81	\$41,995	3.1	289.1	264.3	8.5
2017	44,239	0	65.5	19.3	54	\$0.61	\$1.90	\$43,031	3.2	275.2	287.0	7.3
2018	44,328	196	66.7	19.4	61	\$0.65	\$1.97	\$42,936	3.7	276.0	299.6	6.7
2019	44,402	183	67.6	19.4	64	\$0.67	\$2.05	\$43,649	3.1	277.1	297.6	6.7
2020	44,437	146	67.9	19.4	64	\$0.69	\$2.15	\$44,215	4.1	278.2	303.1	7.1
2021	44,522	194	68.2	19.5	64	\$0.72	\$2.24	\$44,786	3.6	279.3	310.9	7.2
2022	44,576	164	68.3	19.5	64	\$0.74	\$2.35	\$45,530	3.5	280.4	318.3	7.3
2023	44,609	146	68.4	19.6	65	\$0.76	\$2.45	\$46,302	3.4	281.6	326.1	7.4
2024	44,617	123	68.4	19.6	66	\$0.78	\$2.55	\$47,090	3.3	282.7	332.8	7.5
2025	44,583	83	68.3	19.6	67	\$0.80	\$2.65	\$47,832	3.1	283.9	338.4	7.7
2026	44,513	48	68.3	19.7	68	\$0.82	\$2.74	\$48,451	3.1	285.1	345.1	7.8
2027	44,440	48	68.3	19.7	66	\$0.85	\$2.83	\$48,968	3.0	286.4	352.9	7.8
2028	44,344	26	68.2	19.8	70	\$0.87	\$2.91	\$49,455	3.3	287.6	361.7	7.9
2029	44,268	47	68.2	19.8	70	\$0.89	\$3.00	\$49,868	3.1	288.9	369.2	7.9
2030	44,160	18	68.1	19.8	71	\$0.91	\$3.08	\$50,209	3.0	290.2	376.7	8.0
2031	44,067	33	68.2	19.9	73	\$0.93	\$3.16	\$50,598	2.9	291.6	384.3	7.9
2032	44,035	92	68.4	19.9	71	\$0.96	\$3.25	\$50,834	3.1	293.0	392.3	7.9
2033	43,962	51	68.5	20.0	68	\$0.98	\$3.33	\$51,230	2.7	294.4	400.4	8.0
2034	43,906	65	68.6	20.0	72	\$1.00	\$3.42	\$51,614	2.9	295.8	408.7	7.9
2035	43,732	-52	68.6	20.1	72	\$1.03	\$3.51	\$51,979	3.0	297.3	416.8	8.0
2036	43,612	2	68.6	20.1	70	\$1.06	\$3.60	\$52,202	3.4	298.8	425.2	7.9
2037	43,448	-42	68.7	20.2	74	\$1.09	\$3.70	\$52,397	3.5	300.3	433.6	8.0
2038	43,240	-85	68.6	20.2	69	\$1.12	\$3.79	\$52,644	3.3	301.9	442.1	8.0
2039	43,040	-76	68.6	20.3	72	\$1.15	\$3.89	\$52,862	3.5	303.4	450.8	7.9
2040	42,850	-68	68.7	20.3	66	\$1.18	\$3.99	\$53,087	3.4	305.1	459.7	8.0
2041	42,641	-87	68.7	20.3	70	\$1.21	\$4.09	\$53,393	3.2	306.7	468.7	8.0
2042	42,461	-60	68.8	20.4	70	\$1.23	\$4.20	\$53,754	3.1	308.4	478.1	7.9
2043	42,280	-63	68.9	20.4	69	\$1.26	\$4.30	\$54,140	3.0	310.2	487.7	8.0
2044	42,103	-61	69.0	20.5	68	\$1.29	\$4.41	\$54,620	2.8	311.9	497.5	8.0
2045	41,917	-71	69.1	20.5	67	\$1.32	\$4.52	\$55,053	3.0	313.7	507.6	8.0
2046	41,789	-14	69.3	20.6	66	\$1.35	\$4.64	\$55,517	2.9	315.6	518.1	7.9
2047	41,655	-24	69.5	20.6	66	\$1.38	\$4.76	\$55,981	2.9	317.4	528.9	8.0
2048	41,541	-8	69.6	20.7	65	\$1.41	\$4.89	\$56,463	2.9	319.4	540.0	8.0
2049	41,396	-43	69.6	20.7	64	\$1.44	\$5.02	\$56,976	2.9	321.3	551.3	8.0
2050	41,279	-18	69.8	20.7	63	\$1.47	\$5.16	\$57,554	2.9	323.3	562.9	8.0

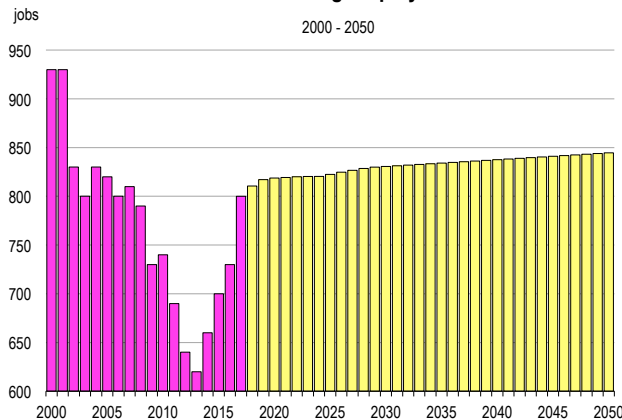


Siskiyou County Employment Forecast

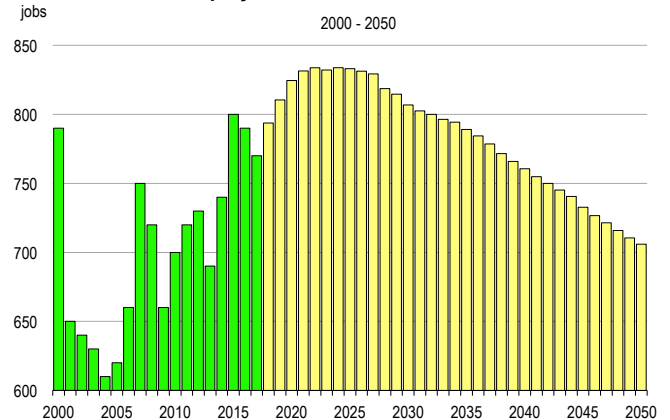
2010-2017 History, 2018-2050 Forecast

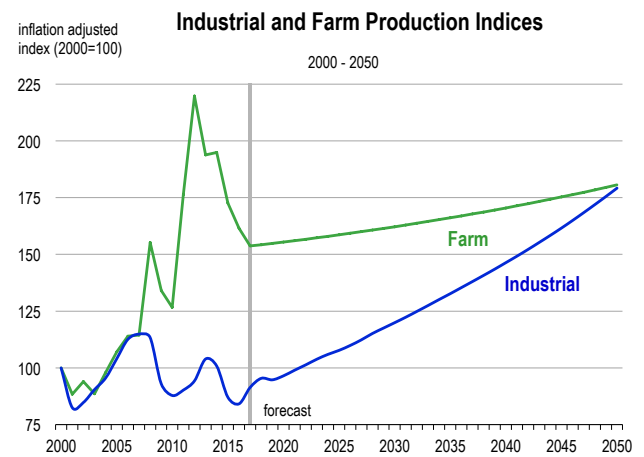
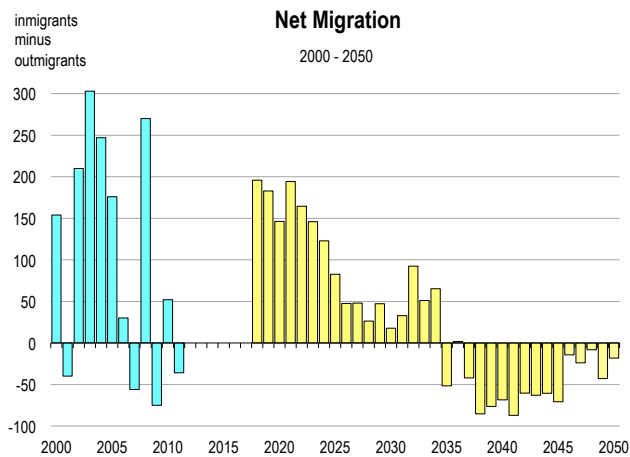
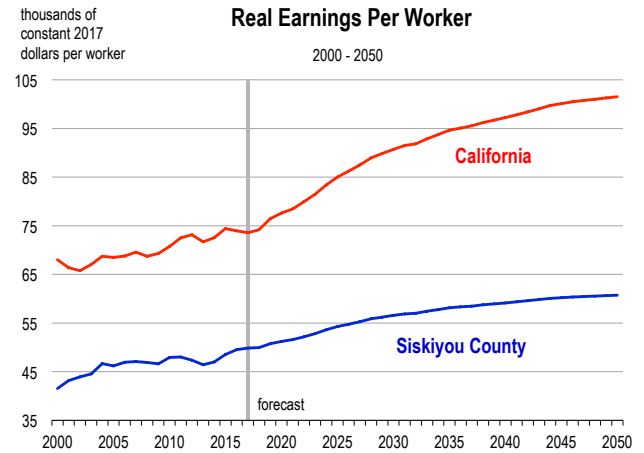
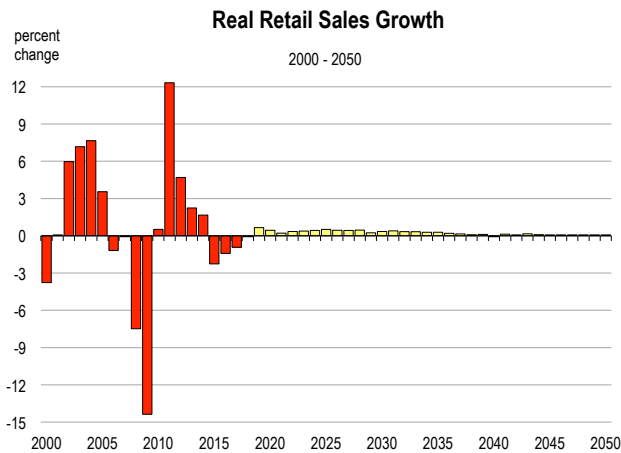
	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
employment (thousands of jobs)-----												
2010	13.37	0.70	0.33	0.74	0.20	1.81	0.37	0.70	0.18	2.00	1.63	4.31
2011	13.20	0.71	0.32	0.69	0.23	1.73	0.36	0.72	0.18	1.94	1.48	4.42
2012	13.05	0.76	0.31	0.64	0.24	1.77	0.35	0.73	0.15	1.82	1.52	4.29
2013	13.15	0.74	0.32	0.62	0.29	1.76	0.32	0.69	0.14	2.02	1.56	4.13
2014	13.38	0.78	0.31	0.66	0.31	1.80	0.31	0.74	0.14	1.99	1.59	4.18
2015	13.71	0.82	0.34	0.70	0.32	1.82	0.29	0.80	0.14	2.05	1.59	4.26
2016	14.02	0.86	0.36	0.73	0.32	1.81	0.28	0.79	0.14	2.10	1.75	4.30
2017	14.30	0.97	0.38	0.80	0.31	1.78	0.28	0.77	0.14	2.21	1.79	4.28
2018	14.55	1.02	0.38	0.81	0.33	1.80	0.28	0.79	0.14	2.23	1.82	4.34
2019	14.71	1.05	0.39	0.82	0.33	1.81	0.29	0.81	0.14	2.26	1.84	4.37
2020	14.76	1.05	0.39	0.82	0.34	1.81	0.29	0.82	0.14	2.27	1.85	4.37
2021	14.81	1.05	0.39	0.82	0.34	1.82	0.29	0.83	0.14	2.28	1.86	4.40
2022	14.83	1.04	0.39	0.82	0.35	1.82	0.29	0.83	0.14	2.29	1.86	4.39
2023	14.84	1.04	0.39	0.82	0.35	1.82	0.29	0.83	0.14	2.30	1.87	4.39
2024	14.84	1.03	0.39	0.82	0.35	1.82	0.29	0.83	0.14	2.31	1.87	4.38
2025	14.82	1.02	0.39	0.82	0.35	1.82	0.29	0.83	0.15	2.32	1.86	4.37
2026	14.80	1.01	0.39	0.82	0.34	1.82	0.29	0.83	0.15	2.32	1.86	4.36
2027	14.80	1.00	0.39	0.83	0.34	1.82	0.29	0.83	0.15	2.33	1.86	4.36
2028	14.79	1.00	0.39	0.83	0.34	1.82	0.29	0.82	0.15	2.32	1.85	4.36
2029	14.79	1.00	0.39	0.83	0.34	1.82	0.29	0.81	0.15	2.32	1.85	4.37
2030	14.77	1.00	0.39	0.83	0.34	1.82	0.29	0.81	0.15	2.32	1.84	4.36
2031	14.77	1.00	0.40	0.83	0.33	1.82	0.29	0.80	0.15	2.32	1.84	4.37
2032	14.79	1.00	0.39	0.83	0.33	1.82	0.30	0.80	0.15	2.33	1.84	4.39
2033	14.78	1.00	0.39	0.83	0.33	1.82	0.30	0.80	0.15	2.33	1.83	4.39
2034	14.79	1.00	0.40	0.83	0.33	1.82	0.30	0.79	0.15	2.33	1.83	4.41
2035	14.74	0.99	0.40	0.83	0.33	1.82	0.29	0.79	0.15	2.32	1.82	4.38
2036	14.74	0.99	0.40	0.83	0.32	1.82	0.29	0.78	0.15	2.32	1.82	4.39
2037	14.71	0.99	0.40	0.84	0.32	1.82	0.29	0.78	0.15	2.32	1.81	4.39
2038	14.67	0.99	0.39	0.84	0.32	1.81	0.29	0.77	0.15	2.32	1.80	4.37
2039	14.65	0.99	0.40	0.84	0.31	1.81	0.29	0.77	0.15	2.31	1.79	4.38
2040	14.63	0.99	0.39	0.84	0.31	1.81	0.29	0.76	0.15	2.31	1.78	4.38
2041	14.60	0.99	0.40	0.84	0.30	1.81	0.29	0.75	0.15	2.30	1.78	4.38
2042	14.59	0.99	0.40	0.84	0.30	1.81	0.29	0.75	0.15	2.30	1.77	4.39
2043	14.58	0.99	0.39	0.84	0.30	1.81	0.29	0.75	0.15	2.30	1.76	4.40
2044	14.57	0.99	0.39	0.84	0.29	1.81	0.29	0.74	0.15	2.29	1.75	4.40
2045	14.55	0.99	0.39	0.84	0.29	1.80	0.29	0.73	0.15	2.29	1.74	4.40
2046	14.56	0.99	0.39	0.84	0.29	1.80	0.29	0.73	0.15	2.29	1.74	4.42
2047	14.55	0.99	0.39	0.84	0.28	1.80	0.29	0.72	0.15	2.29	1.73	4.43
2048	14.55	1.00	0.39	0.84	0.28	1.80	0.29	0.72	0.15	2.29	1.73	4.44
2049	14.54	1.00	0.39	0.84	0.28	1.80	0.29	0.71	0.15	2.29	1.72	4.44
2050	14.54	1.00	0.39	0.84	0.28	1.80	0.29	0.71	0.15	2.29	1.72	4.45

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	2.1%
Expected job growth:	2.0%
Fastest growing jobs sector:	Wholesale Trade
Expected personal income growth:	8.5%

Expected population growth:	0.6%
Net migration to account for:	100%
Expected growth in number of vehicles:	2.5%

Demographics (2018)

Unemployment rate (April 2018):	6.7%
County rank* in California (58 counties):	46th
Working age (16-64) population:	57.8%

Population with B.A. degree or higher:	22.7%
Median home selling price (2017):	\$170,000
Median household income:	\$41,284

Quality of Life

Violent crime rate (2016):	343 per 100,000 persons
County rank* in California (58 counties):	24th
Average commute time to work (2018):	20 minutes

High School drop out rate (2017):	3.6%
Households at/below poverty line (2018):	17.3%

* The county ranked 1st corresponds to the lowest rate in California